



# Nashua City Hall Press Release

**For Immediate Release: May 23, 2016**

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## **Nashua, New Hampshire \$24,255,000 Bonds Net 0.846%; Refunding saves \$2,178,635**

(Nashua) Mayor Jim Donchess, announced that the city received competitive bids for a \$24,255,000, 6 year refunding bond issue on Wednesday, May 18, 2016. Citigroup Global Markets Inc. was the winning bidder of the Bonds with an average interest rate of 0.846%. The City received a total of 7 bids on the Bonds. Bond proceeds will refinance bonds of the City originally issued December 15, 2006.

The refinancing will generate total savings of \$2,178,635 over the remaining life of the bonds.

Prior to the sale, Standard and Poor's Rating Services, a municipal bond credit rating agency, affirmed the City's underlying bond rating of 'AA+' with a positive outlook. The rating agency cited the City's very strong economy, very strong debt and contingent liability position, very strong liquidity and budgetary flexibility, strong budgetary performance with consistent operating results and very strong management conditions with strong financial policies and practices as positive credit factors.

The bids for the Bonds were accepted at the offices of the City's Financial Advisor, FirstSouthwest, a Division of Hilltop Securities Inc. at 54 Canal Street in Boston, Massachusetts.

Reacting to the sale, City Treasurer David Fredette said, "The outcome of the refunding was better than we had estimated and it is all good news for the city. The savings are significant and it will certainly help with the city's budget over next few years. The refunding interest rate of 0.846% was 40 basis points below what we estimated for the sale. The near perfect bond rating creates a high demand for our bonds and allows for highly competitive bids. I am also pleased with the rating agency's analysis that speaks to our strong commitment to reasonable budget increases along with our use of committed reserves and our increase in the unassigned fund balance. The excellent rating received reflects the City's sound financial management practices and the overall good health of Nashua."

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